



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2010  
OF THE CONDITION AND AFFAIRS OF THE

Fidelis SecureCare of Michigan Inc.

NAIC Group Code	3744	3744	NAIC Company Code	10769	Employer's ID Number	30-0312489
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [ ] Property/Casualty [ ] Dental Service Corporation [ ] Vision Service Corporation [ ] Other [ ] Health Maintenance Organization [ X ] Hospital, Medical & Dental Service or Indemnity [ ] Is HMO, Federally Qualified? Yes [ X ] No [ ]					
Incorporated/Organized	12/09/2004			Commenced Business	07/15/2005	
Statutory Home Office	38777 West Six Mile Road, Suite 207			Livonia, MI 48152		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	20 North Martingale Road, Suite 180					
	Schaumburg, IL 60173			847-605-0501		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	20 North Martingale Road, Suite 180			Schaumburg, IL 60173		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	20 North Martingale Road, Suite 180					
	Schaumburg, IL 60173			847-592-9161		
	(City or Town, State and Zip Code)			(Area Code) (Telephone Number)		
Internet Website Address	www.fidelissc.com					
Statutory Statement Contact	Daniel Mark Erickson			847-592-9161		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	dan.erickson@fidelissc.com			847-517-1085		
	(E-mail Address)			(FAX Number)		

OFFICERS

Name	Title	Name	Title
Catherine Joan Kiley Ms.	President	Samuel Randolph Willcoxon Mr.	Secretary
Dawn Marie Gilbert Ms. #	Treasurer		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Samuel Randolph Willcoxon Mr.	Jerome Wilborn Mr.	Wrenea Carlotta Rowe Ms. #
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State of .....  
County of ..... ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Catherine Joan Kiley Ms. President	Samuel Randolph Willcoxon Mr. Secretary	Dawn Marie Gilbert Ms. Treasurer
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Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_

a. Is this an original filing? Yes [ X ] No [ ]  
b. If no,  
1. State the amendment number  
2. Date filed 02/28/2011  
3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	557,510		557,510	1,059,693
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0		0	0
2.2 Common stocks .....	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....5,946,042 , Schedule E - Part 1), cash equivalents (\$ .....0 , Schedule E - Part 2) and short-term investments (\$ .....645,529 , Schedule DA).....	6,591,571		6,591,571	8,633,440
6. Contract loans (including \$ .....premium notes).....			0	0
7. Derivatives .....			0	
8. Other invested assets (Schedule BA) .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	7,149,081	0	7,149,081	9,693,133
13. Title plants less \$ .....charged off (for Title insurers only).....	0		0	0
14. Investment income due and accrued .....	437		437	719
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premium).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....	231,135		231,135	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0		0	0
23. Receivables from parent, subsidiaries and affiliates .....	263,389		263,389	49
24. Health care (\$ .....341,371 ) and other amounts receivable.....	385,805	44,434	341,371	63,771
25. Aggregate write-ins for other than invested assets .....	0	0	0	38,754
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	8,029,847	44,434	7,985,413	9,796,426
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	8,029,847	44,434	7,985,413	9,796,426
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Due From CMS.....	0		0	38,754
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	38,754

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ ..... reinsurance ceded)	3,016,416		3,016,416	2,336,880
2. Accrued medical incentive pool and bonus amounts .....	65,459		65,459	172,700
3. Unpaid claims adjustment expenses .....	41,723		41,723	51,355
4. Aggregate health policy reserves .....	88,580		88,580	285,000
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserves .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....			0	0
9. General expenses due or accrued .....			0	1,625
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses))			0	0
10.2 Net deferred tax liability .....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....			0	0
13. Remittance and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	150,000		150,000	230,650
16. Derivatives .....			0	
17. Payable for securities .....			0	0
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....			0	0
20. Reinsurance in unauthorized companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans .....	0		0	465,000
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	138,173	0	138,173	64,728
24. Total liabilities (Lines 1 to 23).....	3,500,351	0	3,500,351	3,607,938
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX	1	1
27. Preferred capital stock .....	XXX	XXX		0
28. Gross paid in and contributed surplus .....	XXX	XXX	2,624,999	2,624,999
29. Surplus notes .....	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	1,860,062	3,563,488
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		0
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	4,485,062	6,188,488
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	7,985,413	9,796,426
DETAILS OF WRITE-INS				
2301. Due to CMS.....	138,173		138,173	64,728
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	138,173	0	138,173	64,728
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	8,364	8,886
2. Net premium income (including \$ .....0 non-health premium income).....	XXX	18,400,171	20,897,546
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		0
4. Fee-for-service (net of \$ ..... medical expenses).....	XXX		0
5. Risk revenue.....	XXX		0
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0
8. Total revenues (Lines 2 to 7).....	XXX	18,400,171	20,897,546
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits.....		7,458,775	6,808,345
10. Other professional services.....		2,316,654	2,475,394
11. Outside referrals.....			0
12. Emergency room and out-of-area.....		224,545	131,190
13. Prescription drugs.....		3,178,242	3,266,794
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		840,833	854,415
16. Subtotal (Lines 9 to 15).....	0	14,019,049	13,536,138
<b>Less:</b>			
17. Net reinsurance recoveries.....			0
18. Total hospital and medical (Lines 16 minus 17).....	0	14,019,049	13,536,138
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ .....0 cost containment expenses.....		646,091	731,550
21. General administrative expenses.....		1,938,273	2,194,650
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22).....	0	16,603,413	16,462,338
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	1,796,758	4,435,208
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		22,369	52,282
26. Net realized capital gains (losses) less capital gains tax of \$ .....0			0
27. Net investment gains (losses) (Lines 25 plus 26).....	0	22,369	52,282
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )].....			0
29. Aggregate write-ins for other income or expenses.....	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	1,819,127	4,487,490
31. Federal and foreign income taxes incurred.....	XXX	618,503	1,525,747
32. Net income (loss) (Lines 30 minus 31).....	XXX	1,200,624	2,961,743
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	0	0	0
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting year .....	6,188,488	3,164,786
34. Net income or (loss) from Line 32 .....	1,200,624	2,961,743
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....		0
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0
38. Change in net deferred income tax .....		0
39. Change in nonadmitted assets .....	(4,048)	61,551
40. Change in unauthorized reinsurance .....	0	0
41. Change in treasury stock .....	0	0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles .....		0
44. Capital Changes:		
44.1 Paid in .....	0	0
44.2 Transferred from surplus (Stock Dividend) .....		0
44.3 Transferred to surplus .....		0
45. Surplus adjustments:		
45.1 Paid in .....	0	0
45.2 Transferred to capital (Stock Dividend) .....	0	0
45.3 Transferred from capital .....	0	0
46. Dividends to stockholders .....	(2,900,000)	0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	408
48. Net change in capital and surplus (Lines 34 to 47) .....	(1,703,424)	3,023,702
49. Capital and surplus end of reporting year (Line 33 plus 48)	4,485,064	6,188,488
DETAILS OF WRITE-INS		
4701. Change in Unpaid Claims - PY .....		408
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	408

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

CASH FLOW

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	18,273,274	21,552,037
2. Net investment income.....	24,834	57,547
3. Miscellaneous income.....	(234,926)	(63,771)
4. Total (Lines 1 through 3).....	18,063,182	21,545,813
5. Benefit and loss related payments.....	13,446,754	16,027,335
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,291,756	2,477,457
8. Dividends paid to policyholders.....		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	618,503	1,525,747
10. Total (Lines 5 through 9).....	17,357,013	20,030,539
11. Net cash from operations (Line 4 minus Line 10).....	706,169	1,515,274
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	500,000	560,000
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	500,000	560,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	0	559,013
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	559,013
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	500,000	987
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		0
16.5 Dividends to stockholders.....	2,900,000	0
16.6 Other cash provided (applied).....	(348,038)	(112,746)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(3,248,038)	(112,746)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(2,041,869)	1,403,515
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	8,633,440	7,229,925
19.2 End of year (Line 18 plus Line 19.1).....	6,591,571	8,633,440

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	18,400,171	0	0	0	0	0	18,400,171	0	0	0
2. Change in unearned premium reserves and reserve for rate credit .....	0									
3. Fee-for-service (net of \$ ..... medical expenses) .....	0									XXX
4. Risk revenue .....	0									XXX
5. Aggregate write-ins for other health care related revenues .....	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6) .....	18,400,171	0	0	0	0	0	18,400,171	0	0	0
8. Hospital/medical benefits .....	7,458,775						7,458,775			XXX
9. Other professional services .....	2,316,654						2,316,654			XXX
10. Outside referrals .....	0									XXX
11. Emergency room and out-of-area .....	224,545						224,545			XXX
12. Prescription drugs .....	3,178,242						3,178,242			XXX
13. Aggregate write-ins for other hospital and medical .....	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts .....	840,833						840,833			XXX
15. Subtotal (Lines 8 to 14) .....	14,019,049	0	0	0	0	0	14,019,049	0	0	XXX
16. Net reinsurance recoveries .....	0									XXX
17. Total hospital and medical (Lines 15 minus 16) .....	14,019,049	0	0	0	0	0	14,019,049	0	0	XXX
18. Non-health claims (net) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ ..... cost containment expenses .....	646,091						646,091			
20. General administrative expenses .....	1,938,273						1,938,273			
21. Increase in reserves for accident and health contracts .....	0									XXX
22. Increase in reserves for life contracts .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22) .....	16,603,413	0	0	0	0	0	16,603,413	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	1,796,758	0	0	0	0	0	1,796,758	0	0	0
DETAILS OF WRITE-INS										
0501. ....										XXX
0502. ....										XXX
0503. ....										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0	0	0	0	0	0	0	XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301. ....										XXX
1302. ....										XXX
1303. ....										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above) .....	0	0	0	0	0	0	0	0	0	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....	0			0
2. Medicare Supplement .....				0
3. Dental only.....				0
4. Vision only.....				0
5. Federal Employees Health Benefits Plan .....				0
6. Title XVIII - Medicare .....	18,528,543	0	128,372	18,400,171
7. Title XIX - Medicaid.....				0
8. Other health.....				0
9. Health subtotal (Lines 1 through 8) .....	18,528,543	0	128,372	18,400,171
10. Life .....				0
11. Property/casualty.....				0
12. Totals (Lines 9 to 11)	18,528,543	0	128,372	18,400,171



STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct .....	12,498,680						12,498,680			
1.2 Reinsurance assumed .....	0									
1.3 Reinsurance ceded .....	0									
1.4 Net .....	12,498,680	0	0	0	0	0	12,498,680	0	0	0
2. Paid medical incentive pools and bonuses .....	948,074						948,074			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	3,016,416	0	0	0	0	0	3,016,416	0	0	0
3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0
3.4 Net .....	3,016,416	0	0	0	0	0	3,016,416	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....	0									
4.2 Reinsurance assumed .....	0									
4.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	
4.4 Net .....	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year .....	65,459						65,459			
6. Net healthcare receivables (a) .....	0									
7. Amounts recoverable from reinsurers December 31, current year .....	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	2,336,880	0	0	0	0	0	2,336,880	0	0	0
8.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0
8.4 Net .....	2,336,880	0	0	0	0	0	2,336,880	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0
9.4 Net .....	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year .....	172,700	0	0	0	0	0	172,700	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year .....	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct .....	13,178,216	0	0	0	0	0	13,178,216	0	0	0
12.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0
12.4 Net .....	13,178,216	0	0	0	0	0	13,178,216	0	0	0
13. Incurred medical incentive pools and bonuses .....	840,833	0	0	0	0	0	840,833	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....	213,841						213,841			
1.2 Reinsurance assumed .....	0									
1.3 Reinsurance ceded .....	0									
1.4 Net .....	213,841	0	0	0	0	0	213,841	0	0	0
2. Incurred but Unreported:										
2.1 Direct .....	2,802,575						2,802,575			
2.2 Reinsurance assumed .....	0									
2.3 Reinsurance ceded .....	0									
2.4 Net .....	2,802,575	0	0	0	0	0	2,802,575	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	0									
3.2 Reinsurance assumed .....	0									
3.3 Reinsurance ceded .....	0									
3.4 Net .....	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct .....	3,016,416	0	0	0	0	0	3,016,416	0	0	0
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	0	0	0	0	0	0	0	0	0	0
4.4 Net	3,016,416	0	0	0	0	0	3,016,416	0	0	0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid December 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					.0	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare .....	1,471,248	11,027,432	96,357	2,920,059	1,567,605	2,336,880
7. Title XIX - Medicaid.....					.0	.0
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	1,471,248	11,027,432	96,357	2,920,059	1,567,605	2,336,880
10. Healthcare receivables (a).....					.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts .....	166,783	781,291	.0	65,459	166,783	172,700
13. Totals (Lines 9 - 10 + 11 + 12)	1,638,031	11,808,723	96,357	2,985,518	1,734,388	2,509,580

(a) Excludes \$ .....loans or advances to providers not yet expensed.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS  
(000 Omitted)

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior .....	837	.0	.0	.0	
2. 2006 .....	5,553	2,034	.0	.0	
3. 2007 .....	XXX	14,237	3,763	.0	
4. 2008 .....	XXX	XXX	19,190	3,989	
5. 2009 .....	XXX	XXX	XXX	12,038	1,638
6. 2010 .....	XXX	XXX	XXX	XXX	11,809

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior .....					
2. 2006 .....					
3. 2007 .....	XXX				
4. 2008 .....	XXX	XXX			
5. 2009 .....	XXX	XXX	XXX		.0
6. 2010 .....	XXX	XXX	XXX	XXX	14,019

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claims Payments	3  Claim Adjustment Expense Payments	4  Col. (3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col. 2+3)	6  Col. (5/1) Percent	7  Claims Unpaid	8  Unpaid Claims Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10  Col. (9/1) Percent
1. 2006 .....	8,896	.0		.0	.0	.0			.0	.0
2. 2007 .....	19,589	.0		.0	.0	.0			.0	.0
3. 2008 .....	25,914	.0	.0	.0	.0	.0			.0	.0
4. 2009 .....	20,898	1,638		.0	1,638	7.8			1,638	7.8
5. 2010 .....	18,400	11,809	646	5.5	12,455	67.7	3,082	42	15,579	84.7

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS  
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior .....	837	.0	.0	.0	.0
2. 2006 .....	5,553	2,034	.0	.0	.0
3. 2007 .....	XXX	14,237	3,763	.0	.0
4. 2008 .....	XXX	XXX	19,190	3,989	.0
5. 2009 .....	XXX	XXX	XXX	12,038	1,638
6. 2010 .....	XXX	XXX	XXX	XXX	11,809

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior .....	.0	.0	.0	.0	.0
2. 2006 .....	.0	.0	.0	.0	.0
3. 2007 .....	XXX	.0	.0	.0	.0
4. 2008 .....	XXX	XXX	.0	.0	.0
5. 2009 .....	XXX	XXX	XXX	.0	.0
6. 2010 .....	XXX	XXX	XXX	XXX	14,019

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1  Premiums Earned	2  Claims Payments	3  Claim Adjustment Expense Payments	4  Col. (3/2) Percent	5  Claim and Claim Adjustment Expense Payments (Col. 2+3)	6  Col. (5/1) Percent	7  Claims Unpaid	8  Unpaid Claims Adjustment Expenses	9  Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10  Col. (9/1) Percent
1. 2006 .....	8,896	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 2007 .....	19,589	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2008 .....	25,914	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2009 .....	20,898	1,638	.0	.0	1,638	7.8	.0	.0	1,638	7.8
5. 2010 .....	18,400	11,809	646	5.5	12,455	67.7	3,082	42	15,579	84.7

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	.0								
2. Additional policy reserves (a) .....	.88,580						.88,580		
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) .....	.0						.0		
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross) .....	.88,580	.0	.0	.0	.0	.0	.88,580	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4) .....	.88,580	.0	.0	.0	.0	.0	.88,580	.0	.0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7) .....	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. ....									
0502. ....									
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0	0	0	0	0	0	0
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0

(a) Includes \$ ..... premium deficiency reserve.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ .....for occupancy of own building).....			41,616		41,616
2. Salaries, wages and other benefits.....		387,655	1,221,291		1,608,946
3. Commissions (less \$ .....ceded plus \$ .....assumed.....					0
4. Legal fees and expenses.....					0
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			168,119		168,119
7. Traveling expenses.....			56,884		56,884
8. Marketing and advertising.....			40,395		40,395
9. Postage, express and telephone.....			52,442		52,442
10. Printing and office supplies.....			33,150		33,150
11. Occupancy, depreciation and amortization.....			0		0
12. Equipment.....			10,142		10,142
13. Cost or depreciation of EDP equipment and software.....					0
14. Outsourced services including EDP, claims, and other services.....		258,436	223,144		481,580
15. Boards, bureaus and association fees.....					0
16. Insurance, except on real estate.....			41,802		41,802
17. Collection and bank service charges.....					0
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					0
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....					0
23.5 Other (excluding federal income and real estate taxes).....			49,288		49,288
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	0	646,091	1,938,273	0	(a) 2,584,364
27. Less expenses unpaid December 31, current year.....		41,723			41,723
28. Add expenses unpaid December 31, prior year.....	0	51,355	1,625	0	52,980
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	655,723	1,939,898	0	2,595,621
DETAIL OF WRITE-INS					
2501. ....					
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$ .....2,593,996 to affiliates and \$ .....to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) ..... 15,333	..... 14,841
1.1 Bonds exempt from U.S. tax .....	(a) .....	.....
1.2 Other bonds (unaffiliated) .....	(a) .....	.....
1.3 Bonds of affiliates .....	(a) ..... 0	.....
2.1 Preferred stocks (unaffiliated) .....	(b) ..... 0	.....
2.11 Preferred stocks of affiliates .....	(b) ..... 0	.....
2.2 Common stocks (unaffiliated) .....	..... 0	.....
2.21 Common stocks of affiliates .....	..... 0	.....
3. Mortgage loans .....	(c) .....	.....
4. Real estate .....	(d) .....	.....
5. Contract loans .....	.....	.....
6. Cash, cash equivalents and short-term investments .....	(e) ..... 7,091	..... 7,528
7. Derivative instruments .....	(f) .....	.....
8. Other invested assets .....	..... 0	..... 0
9. Aggregate write-ins for investment income .....	..... 0	..... 0
10. Total gross investment income .....	22,424	22,369
11. Investment expenses .....		(g) .....
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g) .....
13. Interest expense .....		(h) .....
14. Depreciation on real estate and other invested assets .....		(i) .....
15. Aggregate write-ins for deductions from investment income .....		..... 0
16. Total deductions (Lines 11 through 15) .....		..... 0
17. Net investment income (Line 10 minus Line 16) .....		22,369
DETAILS OF WRITE-INS		
0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	..... 0	..... 0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above) .....	0	0
1501. ....		.....
1502. ....		.....
1503. ....		.....
1598. Summary of remaining write-ins for Line 15 from overflow page .....		..... 0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above) .....		0

(a) Includes \$ ..... (1,154) accrual of discount less \$ ..... 1,029 amortization of premium and less \$ ..... 0 paid for accrued interest on purchases.  
(b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... 0 paid for accrued dividends on purchases.  
(c) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... paid for accrued interest on purchases.  
(d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.  
(e) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.  
(f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.  
(g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
(h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.  
(i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....			0		
1.1 Bonds exempt from U.S. tax .....			0		
1.2 Other bonds (unaffiliated) .....			0		
1.3 Bonds of affiliates .....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11 Preferred stocks of affiliates .....	0	0	0	0	0
2.2 Common stocks (unaffiliated) .....	0	0	0	0	0
2.21 Common stocks of affiliates .....	0	0	0	0	0
3. Mortgage loans .....	0	0	0	0	0
4. Real estate .....	0	0	0	0	0
5. Contract loans .....			0		
6. Cash, cash equivalents and short-term investments .....			0	0	0
7. Derivative instruments .....			0		
8. Other invested assets .....	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10. Total capital gains (losses) .....	0	0	0	0	0
DETAILS OF WRITE-INS					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above) .....	0	0	0	0	0



ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives .....	0		0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets .....	0		0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable.....	44,434	40,386	(4,048)
25. Aggregate write-ins for other than invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	44,434	40,386	(4,048)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	44,434	40,386	(4,048)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	650	606	629	805	819	8,364
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	650	606	629	805	819	8,364
DETAILS OF WRITE-INS						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1.Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Fidelis SecureCare of Michigan Inc. are presented on the basis of accounting practices prescribed or permitted by the State of Michigan Department of Insurance.

Fidelis SecureCare of Michigan Inc is licensed and domiciled as a Health Maintenance Organization in the State of Michigan. The company is authorized to write Medicare business as a Medicare Advantage plan. The State of Michigan Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining and reporting the financial condition and results of operations of a Health Maintenance Organization, for determining its solvency under the Michigan Insurance Law. The statement has been completed in accordance with the NAIC *Accounting Practices and Procedures Manual*. In NAIC SAP, some assets, such as prepaid expenses are not admitted. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

**Cash and Cash Equivalents** – Cash and cash equivalents include highly liquid investments that are both readily convertible to known amounts of cash, and so near to their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash includes savings accounts, and certificates of deposits with original maturities of three months or less. Cash equivalents are short-term investments that include investments with remaining maturities of greater than 90 days, but less than one year at the time of acquisition.

**Bonds** – Investments on bonds are carried at amortized costs. Bonds are amortized using the effective interest rate method. The amortized cost and estimated fair value of bonds as of December 31, 2010 are as follows:

	<u>Amortized Cost</u>	<u>Unrealized Gain(Loss)</u>	<u>Fair Value</u>
U.S. Gov’t. obligations	<u>\$557,510</u>	<u>\$2,058</u>	<u>\$559,568</u>

The statutory carrying value and the fair value of the bonds at December 31, 2010, by stated maturity, are shown below. These bonds are held in trust as required to be deposited in restricted accounts for member’s protection pursuant to federal and state regulatory requirements.

	<u>Amortized Cost</u>	<u>Unrealized Gain(Loss)</u>	<u>Fair Value</u>
Due in less than 1 year	<u>\$557,510</u>	<u>\$2,058</u>	<u>\$559,568</u>
Due in one through five yrs	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Due in over five years	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

In December 2003, the Emerging Issues Task Force (“EITF”) issued EITF 03-1, The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments. EITF 03-1 specifies certain quantitative and qualitative disclosures for debt and marketable equity securities classified as available for sale or held-to maturity and where costs exceeds market value at the balance sheet date but for which an other-than-temporary impairment has not been recognized. As of December 31, 2010 the fair value of securities, \$559,568 exceeded its book value (amortized cost) by \$2,058 for US governments due to mature in less that one year from balance sheet date. The book value (amortized cost) of these instruments as of December 31, 2010 is \$557,510.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned monthly over the terms of the related insurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company’s Board of Directors. The aggregate amount of policyholders’ dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.

NOTES TO FINANCIAL STATEMENTS

- (2) Bonds not backed by other loans are stated at amortized cost using the constant yield interest method.
  - (3) Common stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 10% or more (per SSAP 88) are carried on the equity basis.
  - (4) Not applicable
  - (5) Not applicable
  - (6) Not applicable
  - (7) Not applicable
  - (8) Not applicable
  - (9) Not applicable
  - (10) The Company does not consider anticipated investment income when calculating its premium deficiency reserves.
  - (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
  - (12) The Company has not modified its capitalization policy from the prior period.
  - (13) Not applicable
2. Accounting Changes and Corrections of Errors
- Not applicable
3. Business Combinations and Goodwill
- Not applicable
4. Discontinued Operations
- Not applicable
5. Investments
- Not applicable
6. Joint Ventures, Partnerships and Limited Liability Companies
- The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.
7. Investment Income
- Investment income includes interest and dividend income due and unpaid on short term investments. All amounts have been admitted at December 31, 2010.
8. Derivative Instruments
- Not applicable
9. Income Taxes

A. The components of the net deferred tax asset at December 31, 2010 and December 31, 2009 are as follows:

	2010	2009
Total of gross deferred tax assets	\$369,596	\$369,596
Total of deferred tax liabilities	0	0
Net deferred tax asset	369,596	369,596
Deferred tax assets nonadmitted	369,596	369,596
Net deferred tax asset	\$0	\$0
Increase in nonadmitted asset	\$0	\$0

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

**ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.**

**NOTES TO FINANCIAL STATEMENTS**

	<b>2010</b>	2009	<b>Change</b>
Total gross deferred tax assets	<b>\$369,596</b>	\$369,596	<b>\$0</b>
Total of deferred tax liabilities	<b>0</b>	0	<b>0</b>
Net deferred tax asset	<b>369,596</b>	369,596	<b>0</b>
Tax effect of unrealized gain (loss)	<b>0</b>	0	<b>0</b>
Change in net deferred income taxes	<b>\$0</b>	\$0	<b>0</b>

- B. The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities at December 31, 2010 and December 31, 2009 are as follows:

	<b>2010</b>	2009
Deferred tax assets		
Start-up costs	<b>\$352,182</b>	\$352,182
Loss reserve discount	<b>17,414</b>	17,414
Total deferred tax assets	<b>369,596</b>	369,596
Nonadmitted deferred tax assets	<b>369,596</b>	369,596
Admitted deferred tax assets	<b>0</b>	0
Deferred tax liabilities		
Total deferred tax liabilities	<b>0</b>	0
Net deferred tax asset admitted	<b>\$0</b>	\$0

- C. The provision for incurred income tax expense for the years ended December 31, 2010 and December 31, 2009 is:

	<b>2010</b>	2009
Federal - excluding net capital gains (losses)	<b>618,503</b>	1,525,746
Federal tax on net capital gains (losses)	<b>0</b>	0
Federal income taxes incurred	<b>618,503</b>	1,525,746

- D. No significant reconciling items to disclose.
- E. There are no income taxes incurred in the current year that will be available for recoupment in the event of future losses.
- F. Fidelis SecureCare of Michigan Inc files consolidated Federal Tax returns with its parent, Fidelis SeniorCare Inc. Two affiliated companies, Fidelis SecureCare of North Carolina, Inc. and Fidelis SecureCare of Texas, Inc. also file in that consolidated tax return. Subsidiary federal tax liability shall be paid to the parent company and filed as part of a consolidated federal tax return. The group's consolidated federal tax liability shall be apportioned for purposes of computing earnings and profits in accordance with the method provided in Section 1552(a)(1) of the Code and Regulations Section 1.1552-1(a)(1). The group's unitary tax liability shall be apportioned for tax purposes in accordance with the requirements of applicable state law, or, if none, as reasonably determined by the Parent.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A., B., C. & D.

The Company paid dividends of \$2,900,000 and \$0 to the Parent Company as of December 31, 2010 and December 31, 2009. At December 31, 2010 and December 31, 2009, Fidelis SecureCare of Michigan reported \$263,389 and \$49 as amounts due from the Parent Company, Fidelis Senior Care Inc. and \$0 and \$0 as amounts due from Fidelis Healthcare Services. These amounts due from the parent relate to the settlement in accordance with the administrative services agreement between the Parent and the Company. The parent entity, Fidelis SeniorCare Inc. provides administrative services to the health plan, Fidelis SecureCare of Michigan Inc.

As of December 31, 2010 and December 31, 2009, the Company has \$112,347 and \$190,702 due to the Parent and \$37,653 and \$39,948 due to Fidelis HealthCare Services Inc. respectively. Amounts due to the parent are related to tax payable in accordance with the Company's tax sharing agreement with the Parent. Amounts due to Fidelis Healthcare Services are related to services provided under the Provider Network Agreement. Fidelis SecureCare of Michigan settles all intercompany transactions within 45 days of the end of fiscal periods.

For the years ended December 31, 2010 and December 31, 2009, Fidelis SecureCare of Michigan incurred \$2,593,996 and \$2,944,083 in costs for the Parent Company, Fidelis SeniorCare, Inc. and \$1,450,572 and \$483,656 in costs for Fidelis HealthCare Services, Inc.

- E. Not applicable

## NOTES TO FINANCIAL STATEMENTS

F. The Company has amounts due to and due from the Parent Company, Fidelis SeniorCare, Inc., in accordance with the administrative services agreement and tax sharing agreement. The Company has amounts due to Fidelis Healthcare Services relating to services provided under the Provider Network Agreement.

G. All outstanding shares of Fidelis SecureCare of Michigan are owned by the Parent Company, Fidelis SeniorCare Inc, is an insurance holding company domiciled in the State of Delaware.

H. Not applicable

I. Not applicable

J. Not applicable

K. Not applicable

L. Not applicable

M. Not applicable

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Not applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 100 shares authorized, 100 shares issued and 100 shares outstanding. All shares are Common shares.
- (2) The Company has no preferred stock outstanding.
- (3) No extraordinary dividends or other extraordinary distributions to its shareholder until 30 days after the commissioner has received notice of the declaration thereof and has not within such period disapproved such payment within such thirty day period. For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceding twelve months exceeds the greater of ten percent of such insurer's surplus as regards policyholders as of December 31 next preceding, or the net gain from operations of such insurer, not including realized capital gains, for the twelve-month period ending December 31. Any other provision of law to the contrary notwithstanding, an insurer may declare an extraordinary dividend or distribution which is conditional upon the commissioner's approval thereof, and such a declaration confers no rights upon shareholders until the commissioner has approved the payment of such dividend or distribution or the commissioner has not disapproved such payment within the thirty-day period.
- (4) The Company paid an ordinary dividend of \$2,900,000 to its parent company, Fidelis SeniorCare, Inc., on September 7, 2010.
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) The total amount of advances to surplus not repaid is \$0.
- (8) Not applicable
- (9) Not applicable
- (10) Not applicable
- (11) Not applicable
- (12) Not applicable
- (13) Not applicable

14. Contingencies

Not applicable

15. Leases

A. Lessee Operating Lease

- (1) There is no commitment for the Company.
- (2) The company is not involved in any material sales – leaseback transactions.

## NOTES TO FINANCIAL STATEMENTS

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable

20. Other Items

A. Not applicable

B. Not applicable

C. Other Disclosures. Assets with a market value of \$1,205,097 at December 31, 2010 were on deposit with JP Morgan as custodian in compliance with the Michigan Department of Insurance requirements. This consisted of Treasury Notes, with an amortized cost of \$557,510 and a market value of \$559,568 and \$645,529 in JP Morgan Federal Money Market.

D. Not applicable

E. Not applicable

F. Not applicable

G. Not applicable

21. Events Subsequent

Not applicable.

22. Reinsurance

A. Ceded Reinsurance Report

### Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ( ) No ( X )

If yes, give full details.

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No ( X )

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

Section 2 – Ceded Reinsurance Report – Part A

- (1)

Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( )      No ( X )

a.

If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate \$ \_\_\_\_\_.

b.

What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$ \_\_\_\_\_.
- (2)

Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( )      No ( X )

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1)

What in the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of payment or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ \_0\_\_\_\_\_
- (2)

Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes ( )      No ( X )

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ \_\_\_\_\_

-

B.      Uncollectible Reinsurance

The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of: \$ \_0\_\_\_\_\_, which is reflected as:

- (1)

Losses incurred

\$ 0 \_\_\_\_\_
- (2)

Loss adjustment expenses incurred

\$ 0 \_\_\_\_\_
- (3)

Premiums earned

\$ 0 \_\_\_\_\_
- (4)

Other

\$ 0 \_\_\_\_\_

C.      Commutation of Ceded Reinsurance

The Company has reported \$0 in its operations in the current year as a result of commutation of reinsurance.

23.      Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable

24.      Change in Incurred Claims and Claim Adjustment Expenses

	2010	2009
Balance at, January 1, 2010	\$2,388,235	\$4,878,588
Reinsurance balance recoverable for unpaid claims	0	0
Gross balance	2,388,235	4,878,588
Incurred claims and claims adjustment expense related to:		
Current year	13,920,120	14,372,626
Prior year	(95,813)	(959,353)
Total incurred claims and claims adjustment expenses	13,824,307	13,413,273



NOTES TO FINANCIAL STATEMENTS

Less claims paid:

Current year	11,683,155	11,984,391
Prior year	1,471,248	3,919,235
Total paid	13,154,403	15,903,626
<hr/>		
Balance at, December 31, 2010	\$3,058,139	\$2,388,235

25. Intercompany Pooling Arrangements  
Not applicable

26. Structured Settlements  
Not applicable.

27. Health Care Receivables  
Not applicable.

28. Participating Policies  
The Company paid dividends in the amount of \$0 to policyholders and did not allocate any additional income to such policyholders.

29. Premium Deficiency Reserves  
As of December 31, 2010 the Company had liabilities of \$0 related to premium deficiency reserves. The Company does not consider anticipated investment income when calculating its premium deficiency reserves.

30. Anticipated Salvage and Subrogation  
Not applicable

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [ X ] No [ ]
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [ X ] No [ ] NA [ ]
- 1.3

State Regulating?

Michigan
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [ ] No [ X ]
- 2.2

If yes, date of change:
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2006
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/11/2008
- 3.4

By what department or departments?

Michigan Department of Insurance
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [ ] No [ ] NA [ X ]
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [ X ] No [ ] NA [ ]
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11

sales of new business?

Yes [ ] No [ X ]
- 4.12

renewals?

Yes [ ] No [ X ]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21

sales of new business?

Yes [ ] No [ X ]
- 4.22

renewals?

Yes [ ] No [ X ]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [ ] No [ X ]
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [ ] No [ X ]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [ ] No [ X ]
- 7.2

If yes,
- 7.21

State the percentage of foreign control
- 7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [ ] No [ X ]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ ] No [ X ]
- 8.4

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
BDO Seidman, LLP 233 N. Michigan Ave., Suite 2500 Chicago, IL 60601
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [ ] No [ X ]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation?

Yes [ ] No [ X ]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [ ] No [ X ]
- 10.6

If the response to 10.5 is yes, provide information related to this exemption:
- 10.7

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [ X ] No [ ] NA [ ]
- 10.8

If the response to 10.7 is no or n/a, please explain
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Milliman 15800 Bluemound Road, Suite 100 Brookfield, WI 53005
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ] No [ X ]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved
- 12.13

Total book/adjusted carrying value

\$
- 12.2

If yes, provide explanation
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [ ] No [ X ]
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [ ] No [ X ]
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [ ] No [ ] NA [ X ]
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [ X ] No [ ]
- 14.11

If the response to 14.1 is no, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [ ] No [ X ]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [ ] No [ X ]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

15.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [ X ] No [ ]
16.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [ X ] No [ ]
17.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [ X ] No [ ]

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES  
FINANCIAL

18.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [ ] No [ X ]

19.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

19.11

To directors or other officers

\$

19.12

To stockholders not officers

\$

19.13

Trustees, supreme or grand (Fraternal only)

\$

19.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

19.21

To directors or other officers

\$

19.22

To stockholders not officers

\$

19.23

Trustees, supreme or grand (Fraternal only)

\$

20.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes [ ] No [ X ]

20.2

If yes, state the amount thereof at December 31 of the current year:

20.21

Rented from others

\$

20.22

Borrowed from others

\$

20.23

Leased from others

\$

20.24

Other

\$

21.1

Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?

Yes [ ] No [ X ]

21.2

If answer is yes:

21.21

Amount paid as losses or risk adjustment

\$

21.22

Amount paid as expenses

\$

21.23

Other amounts paid

\$

22.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ X ] No [ ]

22.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$263,389

INVESTMENT

23.1

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3)

Yes [ X ] No [ ]

23.2

If no, give full and complete information, relating thereto

23.3

For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

23.4

Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes [ ] No [ ] NA [ X ]

23.5

If answer to 23.4 is yes, report amount of collateral for conforming programs.

\$

23.6

If answer to 23.4 is no, report amount of collateral for other programs.

\$

23.7

Does the company's security lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes [ ] No [ ] NA [ X ]

23.8

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes [ ] No [ ] NA [ X ]

23.9

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes [ ] No [ ] NA [ X ]

24.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3)

Yes [ X ] No [ ]

24.2

If yes, state the amount thereof at December 31 of the current year:

24.21

Subject to repurchase agreements

\$

24.22

Subject to reverse repurchase agreements

\$

24.23

Subject to dollar repurchase agreements

\$

24.24

Subject to reverse dollar repurchase agreements

\$

24.25

Pledged as collateral

\$

24.26

Placed under option agreements

\$

24.27

Letter stock or securities restricted as to sale

\$

24.28

On deposit with state or other regulatory body

\$1,203,039

24.29

Other

\$0

24.3

For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

25.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ] No [ X ]

25.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes [ ] No [ ] NA [ X ]

26.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [ ] No [ X ]

26.2

If yes, state the amount thereof at December 31 of the current year.

\$

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

27. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? ..... Yes [ ☒ ] No [ ☐ ]

27.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
JP Morgan Chase.....	Chase Manhattan Plaza New York, NY 10005-1489.....

27.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>3</div> <div>Complete Explanation(s)</div>
.....	.....	.....
.....	.....	.....

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? ..... Yes [ ☐ ] No [ ☒ ]

27.04 If yes, give full and complete information relating thereto:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....	.....	.....	.....
.....	.....	.....	.....

27.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>3</div> <div>Address</div>
.....	.....	.....
.....	.....	.....

28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [ ☐ ] No [ ☒ ]

28.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP #</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....	.....	.....
.....	.....	.....
28.2999 TOTAL		0

28.3 For each mutual fund listed in the table above, complete the following schedule:

<div>1</div> <div>Name of Mutual Fund (from above table)</div>	<div>2</div> <div>Name of Significant Holding of the Mutual Fund</div>	<div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div>	<div>4</div> <div>Date of Valuation</div>
.....	.....	.....	.....
.....	.....	.....	.....

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

29. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
29.1 Bonds.....	557,510	559,568	2,058
29.2 Preferred Stocks.....	0		0
29.3 Totals	557,510	559,568	2,058

29.4 Describe the sources or methods utilized in determining the fair values:

3rd party publication based on market valuation.....

30.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [ X ] No [ ]

30.2 If the answer to 30.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [ X ] No [ ]

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

31.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes [ X ] No [ ]

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$ .....0

32.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

33.1 Amount of payments for legal expenses, if any?.....\$ .....13,781

33.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Rector & Associates.....	6,280
Epstein, Becker, & Green.....	4,913

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$ .....20,400

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
One Chance Victory Fund.....	20,400

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [ ] No [ X ]

1.2

If yes, indicate premium earned on U. S. business only.

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

2.1

Premium Numerator

\$

18,400,171

\$

20,897,546

2.2

Premium Denominator

\$

18,400,171

\$

20,897,546

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

\$

3,081,875

\$

2,224,580

2.5

Reserve Denominator

\$

3,170,455

\$

2,794,580

2.6

Reserve Ratio (2.4/2.5)

0.972

0.796

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [ ] No [ X ]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [ X ] No [ ]

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [ ] No [ X ]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [ X ] No [ ]

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 100,000

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental and Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

\$5 million insolvency coverage with One Beacon

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [ X ] No [ ]

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

73

8.2

Number of providers at end of reporting year

79

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [ ] No [ X ]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

9.22

Business with rate guarantees over 36 months

27

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes [ X ] No [ ]

10.2

If yes:

10.21

Maximum amount payable bonuses

\$.....840,833

10.22

Amount actually paid for year bonuses

\$.....948,074

10.23

Maximum amount payable withholds

\$.....

10.24

Amount actually paid for year withholds

\$.....

11.1

Is the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes [ ] No [ X ]

11.13

An Individual Practice Association (IPA), or,

Yes [ ] No [ X ]

11.14

A Mixed Model (combination of above) ?

Yes [ X ] No [ ]

11.2

Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [ X ] No [ ]

11.3

If yes, show the name of the state requiring such net worth.

Michigan

Michigan

11.4

If yes, show the amount required.

\$.....3,000,000

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [ X ] No [ ]

11.6

If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
Wayne, Macomb, Oakland, Washtenaw, Allegan, Bay, Genesee, Jackson, Kalamazoo, Kent, Muskegan, and Saginaw counties.....

13.1

Do you act as a custodian for health savings accounts?

Yes [ ] No [ X ]

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.

\$.....

13.3

Do you act as an administrator for health savings accounts?

Yes [ ] No [ X ]

13.4

If yes, please provide the balance of the funds administered as of the reporting date.

\$.....



ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

FIVE-YEAR HISTORICAL DATA

	1 2010	2 2009	3 2008	4 2007	5 2006
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28) .....	7,985,413	9,796,426	8,691,176	6,621,595	5,214,682
2. Total liabilities (Page 3, Line 24) .....	3,500,351	3,607,938	5,526,391	4,903,396	3,656,883
3. Statutory surplus .....	3,000,000	3,000,000	2,948,802	2,429,348	1,557,799
4. Total capital and surplus (Page 3, Line 33) .....	4,485,062	6,188,488	3,164,785	1,718,200	1,557,799
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8) .....	18,400,171	20,897,546	25,913,760	19,289,952	8,756,847
6. Total medical and hospital expenses (Line 18) .....	14,019,049	13,536,138	23,635,064	17,071,958	8,520,280
7. Claims adjustment expenses (Line 20) .....	646,091	731,550	453,491	34,860	26,971
8. Total administrative expenses (Line 21) .....	1,938,273	2,194,650	1,360,471	2,094,299	241,445
9. Net underwriting gain (loss) (Line 24) .....	1,796,758	4,435,208	464,734	88,835	(31,849)
10. Net investment gain (loss) (Line 27) .....	22,369	52,282	117,916	165,464	89,400
11. Total other income (Lines 28 plus 29) .....	0	0	0	0	0
12. Net income or (loss) (Line 32) .....	1,200,624	2,961,743	384,549	207,210	57,551
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11) .....	706,169	1,515,274	399,194	1,896,614	2,021,981
<b>Risk - Based Capital Analysis</b>					
14. Total adjusted capital .....	4,485,062	6,188,488	3,164,785	1,718,200	1,557,799
15. Authorized control level risk-based capital .....	884,987	988,764	1,474,401	1,214,674	577,498
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7) .....	819	650	1,141	925	672
17. Total members months (Column 6, Line 7) .....	8,364	8,886	13,564	9,777	4,739
<b>Operating Percentage</b> (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) .....	76.2	64.8	91.2	88.5	97.3
20. Cost containment expenses .....	0.0	0.0	0.0	0.0	xxx
21. Other claims adjustment expenses .....	3.5	3.5	1.8	0.2	0.3
22. Total underwriting deductions (Line 23) .....	90.2	78.8	98.2	99.5	100.4
23. Total underwriting gain (loss) (Line 24) .....	9.8	21.2	1.8	0.5	(0.4)
<b>Unpaid Claims Analysis</b>					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5) .....	1,734,388	4,341,266	4,241,544	2,300,772	661,757
25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)] .....	2,509,580	5,000,778	4,181,939	2,880,254	572,474
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) .....	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) .....	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, C05, Line 10) .....	0	0	0	0	0
30. Affiliated mortgage loans on real estate .....		0	0	0	0
31. All other affiliated .....		0	0	0	0
32. Total of above Lines 26 to 31 .....	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [ ] No [ ]

If no, please explain

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories									
States, Etc.	1	Direct Business Only							
		2	3	4	5	6	7	8	9
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N						0	0
2. Alaska	AK	N						0	0
3. Arizona	AZ	N						0	0
4. Arkansas	AR	N						0	0
5. California	CA	N						0	0
6. Colorado	CO	N						0	0
7. Connecticut	CT	N						0	0
8. Delaware	DE	N						0	0
9. Dist. of Columbia	DC	N						0	0
10. Florida	FL	N						0	0
11. Georgia	GA	N						0	0
12. Hawaii	HI	N						0	0
13. Idaho	ID	N						0	0
14. Illinois	IL	N						0	0
15. Indiana	IN	N						0	0
16. Iowa	IA	N						0	0
17. Kansas	KS	N						0	0
18. Kentucky	KY	N						0	0
19. Louisiana	LA	N						0	0
20. Maine	ME	N						0	0
21. Maryland	MD	N						0	0
22. Massachusetts	MA	N						0	0
23. Michigan	MI	L	18,528,543					18,528,543	0
24. Minnesota	MN	N						0	0
25. Mississippi	MS	N						0	0
26. Missouri	MO	N						0	0
27. Montana	MT	N						0	0
28. Nebraska	NE	N						0	0
29. Nevada	NV	N						0	0
30. New Hampshire	NH	N						0	0
31. New Jersey	NJ	N						0	0
32. New Mexico	NM	N						0	0
33. New York	NY	N						0	0
34. North Carolina	NC	N						0	0
35. North Dakota	ND	N						0	0
36. Ohio	OH	N						0	0
37. Oklahoma	OK	N						0	0
38. Oregon	OR	N						0	0
39. Pennsylvania	PA	N						0	0
40. Rhode Island	RI	N						0	0
41. South Carolina	SC	N						0	0
42. South Dakota	SD	N						0	0
43. Tennessee	TN	N						0	0
44. Texas	TX	N						0	0
45. Utah	UT	N						0	0
46. Vermont	VT	N						0	0
47. Virginia	VA	N						0	0
48. Washington	WA	N						0	0
49. West Virginia	WV	N						0	0
50. Wisconsin	WI	N						0	0
51. Wyoming	WY	N						0	0
52. American Samoa	AS	N						0	0
53. Guam	GU	N						0	0
54. Puerto Rico	PR	N						0	0
55. U.S. Virgin Islands	VI	N						0	0
56. Northern Mariana Islands	MP	N						0	0
57. Canada	CN	N						0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Subtotal	XXX	0	18,528,543	0	0	0	0	18,528,543	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	0	18,528,543	0	0	0	0	18,528,543	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

All premiums are for Michigan enrollees. There is no allocation to other states.

(a) Insert the number of L responses except for Canada and other Alien.

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE  
Fidelis SecureCare of Michigan Inc.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

	Versant Ventures FEIN 94-3410103 19.7 % owner of Fidelis SeniorCare Inc.			Collinson Howe and Lennox FEIN 06-16236012 23.1% owner of Fidelis SeniorCare Inc.				Highland Capital Partners FEIN 04-3545784 27.1% owner of Fidelis SeniorCare Inc.			Arcapita 14.3 % owner of Fidelis SeniorCare Inc.		
				Fidelis SeniorCare Inc. Group Code 3744									
38	Fidelis SecureCare of North Carolina Inc Company Code 12288			Fidelis SecureCare of Michigan Inc Company Code 10769				Fidelis SecureCare of Texas Inc Company Code 12597			Fidelis HealthCare Services		

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